

industries. Rice furnishes an example. So likewise does meat. In other words, the desire was to afford the people the opportunity to grow sufficient rice and cattle for their own needs. Without any doubt under an autonomous and independent Philippine Government, this policy of protectionism will be enlarged upon from time to time.

Protection of the Philippine market will be needed for another purpose. Philippine salvation depends on access to the American market. Yet it is axiomatic that the Philippines cannot sell unless she buys. So customs duties will have to be raised sufficiently to safeguard American importations. As it is, the Philippine demands for textiles and other products are being met by articles furnished by Japan. The existing and delicate problem will be to appease Philippine importers and exporters, without sanctioning a serious loss in revenue, without raising prices to so high a level as to be beyond the purchasing power of the people, and without offending touchy Japan.

DOMESTIC TRADE ⁸

So much emphasis has been laid on foreign trade that little attention has been paid to domestic trade in the Philippines.

The Filipino may sell his sugar, coconut oil, hemp, and tobacco and may buy commodities in foreign lands, yet the fact is lost sight of that right at home he sells what he has and buys to the extent of financial capacity. Rice, for example, is grown, harvested, sold, and bought in the Islands. So likewise are the fish, vegetables, and fruits that are consumed. In the

matter of dress, slippers and shoes, cloth from native materials, and hats for the laboring class are manufactured in the Islands.

The lamentable fact is that not over thirty per cent of the domestic trade is in the hands of the Filipinos. Yet even this

* See *Economic Problems of the Philippines*, by the Philippine Economic Association, Hon. Elpidio Quirino, President (1934), pp. 175—185.